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A Bungled Mission to Iran And a Middleman Who Lied

By **STUART DIAMOND**
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WASHINGTON, Feb. 28 -- The Tower Commission report says an American delegation, on a secret mission to Teheran last year, had not properly prepared for the trip and trusted the promises of a middleman, who lied.

Then, the report said, the Americans refused an offer even better than officials in Washington had expected from the Iranians, because the delegation leader, Robert C. McFarlane, may not have been properly informed.

That trip is among dozens of snafus in 18 months of secret hostage negotiations by a White House team and its associates, according to the Tower Commission report, which was made public Thursday, and interviews Friday with members of the commission.

Last May 28, the report said, an American delegation on a secret mis-

sion in Lebanon.

The report portrays missed opportunities, confusion and professional failures. It shows the Iranians' interests were much broader than just discussing the hostages. They included requests for American help on raising oil prices, countering threats from the Soviet Union, aiding the homeless in Iran and supporting rebels in Afghanistan.

Iranians Wanted Tension Eased

The Iranians wanted to use those issues to ease tensions between Washington and Teheran, the report said, but the Americans refused to discuss these broader issues in detail without the return of hostages.

These were among other revelations in the report:

¶The Iranians said they had obtained a 400-page statement in the interrogation of William Buckley, a senior American intelligence official who had been kidnapped and was later killed.

¶Both Senator Edward M. Kennedy, Democrat of Massachusetts, and former Secretary of State Alexander M. Haig Jr. had begun their own secret efforts to free the hostages.

¶Manucher Ghorbanifar, an Iranian arms dealer and key American contact, had been arrested but not charged in a New York sting operation with 18 defendants, and was also involved in a possible illegal arms deal in Houston.

¶In the middle of negotiations, American officials found out that their middlemen were involved in a separate private arrangement with a British businessman, Tiny Rowlands, to ship the same kinds of arms to Iran.

¶Many odd side issues occupied American discussions, including the possible use of compromising pictures of a high Iranian official with Western women.

'Hand Unskillfully Played'

The report argues how unqualified the Americans were to negotiate with the Iranians. "The U.S. hand was repeatedly tipped and unskillfully played," the report said.

One American consultant said the Americans were unprepared to deal with the Iranians' "merchant mentality." Frustrated, American officials complained among themselves that a

senior Iranian negotiator had "breath that could curl rhino hide" and suggested Iranian officials had the mentality of bookies.

The elaborate secret operations were carried out using code words in which the same people or places had more than one alias, and with detailed schedules that were repeatedly revised when operatives did not get the required equipment or clearances.

A Central Intelligence Agency translator, George Cave, was called both "O'Neill" and "Sam." Teheran was both "Dubai" and "Tango." Maj. Gen. Richard V. Secord, retired from the Air Force, was called both "Copp" and "General Adams."

Al Schwimmer, a middleman and consultant for Israel's Prime Minister, Shimon Peres, fouled up one arms shipment when on Nov. 22, 1985, he allowed the lease to expire on three transport planes in Tel Aviv. At the time, weapons for Iran were en route to Tel Aviv: when they arrived, there were no planes to take them to Iran.

As a result, the arms delivery to Iran was days late, and no hostages were released. Mr. Schwimmer had been trying to save what amounted to a day's leasing cost.

"I have never seen anything so screwed up in my life," General Secord is reported to have said.

Repeatedly, the Americans said they would deliver no more arms unless hostages were released but then delivered arms anyway. On Feb. 18 and Feb. 27, 1986, for example, 1,000 TOW antitank missiles were delivered to Iran. When no hostages were released, another shipment of arms was sent on May 25.

A main culprit, the report said, was Lieut. Col. Oliver L. North, the National Security Council official who ran the operation. There was "obvious inexperience" by the American negotiators, the report said.

Mr. McFarlane castigated the Iranians for "incompetence," and Colonel North called them "primitive" and "unsophisticated." But the report clearly shows the Iranians were shrewd.

In March 1986, for example, after the 1,000 TOW missiles were delivered and no hostages were released, Colonel North recalled with frustration that the Iranians "decided that they don't want TOW's after all."

"So the TOW's don't count," he said. "What we need now are Hawk spare parts." So the Americans sent the Hawk parts in May.

Finally, last June and July, the American said there would be no more shipments until a hostage was released. On July 26, the Rev. Lawrence Martin Jenco was freed.

A significant American problem, the report says, was a reliance on Mr. Ghorbanifar as an intermediary with the Iranians through most of the 18-month process. The arms dealer had repeatedly failed polygraph tests given by the C.I.A. Iranians called him a "crook," and American officials called him "a congenital liar," the report

An Iranian vainly pleaded with McFarlane to stay.

sion in Teheran refused to accept an Iranian offer to free two American hostages and went home.

Iranian Pleads With McFarlane

Mr. McFarlane, the chief American official, was angered that all four hostages were not turned over, as a middleman had promised, and by changes in the Iranian negotiating position.

As a top Iranian Government adviser pleaded with him to stay and continue talking, Mr. McFarlane said, "It is too late." He then flew off.

Edmund S. Muskie, a commission member and a former Secretary of State said that "we were concerned about the lack of preparation" for the sensitive task.

Such episodes led the commission to call the Americans' conduct "very unprofessional."

A close reading of the 300-page report discloses many new intelligence tidbits, leads for investigators and extraordinary glimpses about the way in which United States emissaries tried to secure the release of Americans held by Iranian-influenced terrorist groups

said. Mr. Cave of the C.I.A. said, "It was quite clear that Ghorbanifar was lying to both sides in order to blow this deal up as big as he could."

Repeatedly, because of misunderstandings created through Mr. Ghorbanifar, the Americans expected the release of more hostages than the Iranians had offered, and the Iranians expected more weapons than the Americans had offered, the report said. As a translator at a Feb. 26, 1986, meeting in Frankfurt between Americans and Iranians, the arms dealer "intentionally distorted" so much of the conversation that another interpreter had to be used, according to a memo by Colonel North.

Creditors and Beneficiaries

The Americans, besides trying to figure out when Mr. Ghorbanifar was lying, had to feed his "extraordinarily strong ego" and deal with his complaint that his girlfriend's house in California had been broken into.

Colonel North wrote in July 1986 that Mr. Ghorbanifar was so overextended on loans to help finance the Iranian arms deals, that if they fell through he would "be killed by his creditors," who were the beneficiaries of a \$22 million life insurance policy on him.

But at one point he apparently saved the Americans from a major blunder. For a meeting planned for February 1986 in West Germany, Colonel North was going to bring Albert Hakim, who is of Iranian extraction and a business partner of General Secord. "Are you crazy?" Mr. Ghorbanifar was quoted as saying, adding that "Albert Hakim

is known to all Iranian intelligence agencies" as someone who had aided opponents of the revolutionary regime.

The Americans finally turned away from Mr. Ghorbanifar last summer, when they found an Iranian who was a relative of a senior Teheran official.

The use of people with a direct financial stake in the outcome of the arms shipments, the report said, "invited kickbacks and payoffs." One note by Colonel North said that of the \$13,200 price per missile, Mr. Ghorbanifar was to get \$260 and Michael Ledeen, a National Security Council consultant, was to get \$50. Mr. Ledeen denied he got any commission.

Among the other errors made by the Americans, the report said, was charging prices for arms higher than their market value, and charging greatly different prices for the same arms in different shipments. This made the Iranians more mistrustful, the report said. At one point the wrong weapons were shipped, angering the Iranians further.

The report suggests that it was the Iranians, not the Americans, who were most interested in issues beyond an arms-for-hostages exchange.

"We don't see the release of the hostages as the key," a senior Iranian adviser said at the meeting in Teheran in May. Rather, he said, Iran was interested in "establishing a dialogue" with the United States, as well as securing American help in countering a Soviet threat on its borders. Iran also wanted technical advice on maintenance of its military and commercial equipment and wanted American help in freeing prisoners in Kuwait.

Some parts of the report read almost like comedy routines. On May 25, Mr. McFarlane and his group brought a kosher chocolate cake from Israel for the Iranians in Teheran. In a report back to the White House from Teheran, he interrupted his narrative to describe a watermelon break. At another point, Mr. McFarlane said he distinctly remembered telling President Reagan in the hospital about the arms shipments "because the President was wearing pajamas."